

Rackspace® (NYSE: RAX) is the open cloud company and founder of OpenStack, the standard open-source operating system for cloud computing. Headquartered in San Antonio, with data centres on four continents and offices across the globe, Rackspace delivers its renowned Fanatical Support® to more than 205,000 business customers. Rackspace is a leading provider of hybrid cloud, which enables businesses to run their workloads where they run most effectively — whether on the public cloud, a private cloud, dedicated servers, or a combination of these platforms.

**Zuzana Bielikova, European Communications Manager for Rackspace, takes up the story.**

#### FANATICAL SUPPORT

Service that goes above and beyond for customers is what separates us from our competitors. It is such a fundamental part of who we are and what we do that we trademarked it, Fanatical Support®.

Fanatical Support is about more than just service: it's working hard 24x7x365 to support our customers. Our driving purpose is to take care of our customers' businesses, to make sure things go as smoothly as possible. It means that we never charge for customers to call us, and it means that a real person will always answer the phone – no voicemail or automated menus!

#### FINDING THE RIGHT PEOPLE

Finding the right employees (Rackers) is absolutely essential to maintaining our culture, and it is our first step in continuing to deliver Fanatical Support to customers. Making sure that we continue to employ the right kind of people can be a challenge, so we don't leave it up to chance. Nobody knows the talents and skills we're looking for in new employees more than Rackers.

Applicants that have been referred by other Rackers are about four times more likely to be hired than general applicants. Rackers know who we're looking for! It's not easy to find people who live for customer service and understand geek speak, but our talent scouts use their keen sense, combined with specialised search engines and a broad network throughout the IT industry to find the right people.

#### CORE VALUES

At Rackspace we have six Core Values that we take very seriously:

- 1) Fanatical support in all we do
- 2) Results first, substance over flash
- 3) Full disclosure and transparency
- 4) Passion for our work
- 5) Committed to greatness
- 6) Treat Rackers like friends and family

Every Racker knows what these values are, and lives by them every day. We do

our very best to keep this attitude and approach at the forefront of every Racker's mind and have these standards on the walls at every one of our office locations. Rackers who best exhibit these Core Values in their work are rewarded, as discussed below.

#### DEVELOPMENT

We offer several formal and informal opportunities for Rackers to develop new talents and sharpen their strengths for personal and professional development. All of which results in Rackers being equipped with the precise strengths and skills that they need to provide Fanatical Support to our customers.

#### EXPERTISE AND RECOGNITION

The first Core Value, Fanatical Support in all we do, truly is the core of what we do here. That's why we have the Fanatical Jacket award – the most coveted award at Rackspace. This jacket is awarded once a month to an employee that has gone above and beyond to provide Fanatical Support to our customers. It has become an icon of our culture. Recognising employee achievement is so important to our company that

we award it in front of the new hires, so they can see what they should aspire to be. The winning Racker is literally strapped into the straitjacket on stage for all to see as a senior leader describes the phenomenal work the Racker has done for our customers. The award is both a time for celebration and a symbol of respect. The Fanatical Jacket means so much because Rackers are the ones nominating their peers to receive it.

Engagement is key to the success of Rackers. Happy Rackers participating in work that they love to do means our customers are supported fanatically.

### UNIQUE APPROACH TO SUPPORT

Rackspace customers are a hugely varied group – from start-up companies to massive global enterprises. We recognise that different types of customers require different levels of support from us.

Our Support teams are segmented into SMB (Small to Medium Businesses) and Enterprise (customers with over £100million annual turnover). Both have specific support offerings suited to customers' needs for redundancy, security, scalability and tech support.

We also offer specific solution offerings and related support depending on business industry need: a retail customer will have significantly different requirements to a digital agency, e-commerce site or public sector organisation. We structure our support teams and account teams to be able to flex to the needs of customers at all times.

Finally, for customers that may be unfamiliar with the latest cloud technologies and how to get the most out of them, the Customer Success team guides them through their first days using the Rackspace Cloud. Depending on needs and requirements, Onboarding and Retention experts engage customers to make their time with Rackspace as productive as possible. Whether they require a walkthrough of the customer portal or in-depth solution advice, the Rackspace Customer Success team facilitates free, fast and direct access to relevant experts on the Rackspace product portfolio. These include Product Specialists, Cloud Mentors, Business Development Consultants and Service Delivery Managers.

### THE FANATICAL SUPPORT PROMISE

Fanatical Support is so ingrained in who we are that we created the Fanatical Support Promise: although we can't promise that hardware won't break, that software won't fail, we can promise that if something goes wrong for our customers we will rise to the occasion, take action, resolve the issue and accept responsibility. If one of our customers reasonably believes that we have failed to meet our five elements of Fanatical Support (Responsiveness, Ownership, Resourcefulness, Expertise and Transparency) then we have a dedicated three-step process to rectify the situation and make sure we take lessons-learned on board so that it never happens again.

### FEEDBACK

We know that we have the right people in place with the right values and expertise to deliver great customer service. But we also know that there is always room for

improvement. That's why we rely on the Net Promoter Score survey (NPS) to deep dive into how our customers think we are doing – whether that be where we are exceeding their expectations, or where we need to up our game. NPS is just one question (How likely are you to recommend Rackspace to your friends and colleagues?) which is rated on a scale of 1-10.

Traditional metrics like revenue and market share tell companies when they're growing, but they don't necessarily tell whether customers and employees think a company is great. The reason that Rackspace sets great store by NPS is because it tells us if customers are willing to stake their reputation on our ability to deliver. If they are, then we're delivering on our Fanatical Support commitment to them. If not, then we need to improve.

NPS is a performance metric for our Service Delivery Managers (SDMs), who are also reviewed on the customers' rates of response to the survey. This ensures that not only are we soliciting feedback, but that customer satisfaction is at the heart of everything our account teams do.

Each customer's response goes in to a closed-loop feedback process, and is dealt with by the account teams, before being





passed up to leadership who isolate recurring themes and incorporate them in to our overall strategy. All Rackspace employees get a random sampling of our customers' NPS responses each month and our CEO, Lanham Napier, reads NPS responses daily. Lanham is a driver of NPS within Rackspace, and says that "Greatness is achieved when customers say we are great." Fred Reichheld – the founder of the NPS metric and one of the world's most respected loyalty experts – sits on the Rackspace Board of Directors, where he guides us on deepening customer loyalty by continually improving the service experience we provide.

### EXTERNAL VALIDATION

We were delighted to win the 2012 UK Customer Experience Award for IT and Telecoms. We were recognised as an outstanding leader among organisations who place customer service at the forefront of

their commercial operation. One of the judges said: "This commitment to providing 'Fanatical Support' and exceeding customer expectations every single day is exactly what the Customer Experience awards are all about." Don Hales, Chairman, Awards International said: "The Rackspace team is passionate about delivering a first class customer experience at every touch point."

Importantly, it is not just our company that is recognised for excellent customer service, but also individual Rackers. Warren Jonas was a finalist in the Customer Professional of the Year award category. His commitment to excellence and placing the customer at the centre of all he does is exemplary of the standard which all Rackers aspire to. Taylor Rhodes, Chief Customer Officer for Rackspace summed up just how much this kind of recognition for supporting our customers meant to Rackers when he said: "Our Rackers are dedicated to

providing the highest standard of service in every customer interaction. Clients around the globe trust us with their business-critical IT infrastructure, so we must put them and their business first every time. We see ourselves as an extension of our customers' IT teams and we will go out of our way to make sure they receive the best support."

2013 has been a great year for awards. We were placed 4th and 7th in the Great Places to Work and Best Companies to Work for surveys – a positioning that helps us attract and retain the best talent.

Rackspace is a Texas-based cloud computing company with offices and data centres all over the world. They are regularly named in the top 100 companies to work for in the USA and the UK.

Zuzana Bielikova is the European Communications Manager for Rackspace.